News item on Hoechst withdraws case on DPEA claims

373. SHRI BEKAL UTSAHI: Will the PRIME MINISTER be pleased to state:

(a) whether the attention of Govt. has been drawn to the news item which appeared in Economic Times on the 12th March, 1991 under the heading "Hoechst withdraws case on DPEA claim";

(b) whether it is a fact that Government have agreed to treat the demand notice as a show cause notice based on the understanding with the party; and

(c) if so, under what circumstances such a decision has been taken and what are the details of understanding?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) and (c) Those notices of the Department by virtue of which the company concerned had been given the opportunity to make representations, if any, against the recoverable amounts tentatively worked out by the Department and to furnish certain data as required by the Department were treated as show cause notices and the matter has to be heard and speaking orders passed by the Government as per the order passed by the Hon'ble Bombay High Court on 8-3-1991.

Importing on Dipyridamol Drug by M/s. German Remedies

374. SHRI BEKAL UTSAHI: Will the PRIME MINISTER be pleased to state:

(a) what is the price at which M/s. German Remedies are importing Dipyridamol and what is the price at which other companies are importing this drug;

(b) whether it is a fact that imports are being overinvoiced by the company;

(c) if so, what action has been taken in this regard;

(d) what profit was made by the company during 1989-90 and what was the sales turn over of the company during that year and what was the percentage of profit related to sales;

(e) whether it is a a fact that the import bill has gone up and utilisation of indigenous material has comt down; and

(f) what was the utilisation of imported and indigenous raw material during the year 1988-89 and 1989-90 by the company?

THE MINISIER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Imports of individual companies are not monitored by this Department.

(b) and (c) Complaint of over invoicing has been referred to the Directorate of Revenue Intelligence.

(d) As per the information furnished by the company their profit during 1989-90 was Rs. 6,27,10,885/- pre-tax. However, net profit of the domestic trade is stated to be under Rs. 59 lakhs. Sales turn over for 1989-90 is stated to be Rs. 69,75,44$_k$261/ and the percentage of profit from the domestic trade related to domestic sales is indicated to be less than 1 per cent.

(e) and (f) These details are not monitored in this Department.